Import contents in Indian exports

3149. SHRI IQBAL SINGH : Will the PRIME MINISTER be pleased to state:

(a) what are the import contents (in value terms) of major Indian exports;

(b) whether it is a fact that Indian exports are still import intensive;

(c) whether, if continued in the chang ed scenario, viz. liberalised inputs, this would put additional burden on the BOP; and

(d) if so, the steps taken by Govern ment to make Indian exports less import intensive?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b) It is difficult to give data on the import content of major Indian exports since exporters avail of benefits under different schemes such as duty exemption scheme, duty drawback scheme etc. Although it is difficult to get data on the import-intensity of Indian exports, it is generally observed that the import content varies from commodity to commodity. It is generally high in the case of exports of gems and jewellery and low or marginal in the case of exports of primary products like agricultural and mineral products ;

(c) The trade deficit for the period for the April—June, 93 the latest period for which such data are available for 92—94, is lower than that for the corresponding periods of the last three years. If the present trend continues, the liberalised export regime is not likely to put addi tional burden on the balance of pay ments.

(d) The new Exim Policy 1992—97, *inier alia* aims to promote efficient and internationally competitive import sub stitution and self-reliance under a dere gulated framework for foreign trade. It also seeks to foster the countrys' research (R&D) and technological capabilities.

Target for tea export

3150. SHRI IQBAL SINGH: Will the PRIME MINISTER be pleased to state :

(a) what is the target set for the export of tea during 1993;

(b) how much tea is estimated to be available for exports;

(c) whether the gap between targetted export and estimated availability is to be met by curtailing domestic supply; and

(d) if so, in what manner the prices of Tea in the domestic market are proposed to be stabilised?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) : (a) Target for export of tea during 1993-94 has been fixed at 210 m. kgs.

(b) and (c) As per the trend of tea production so far, it is expected that production target for 1993-94 may be achieved, in which case there will not be any curtailment in domestic supply to meet the targetted exports.

(d) Does not arise.

Export of agricultural products

3151. SHRI MENTAY PADMANABHAM : Will the PRIME MINISTER be pleased to state :

(a) whether the latest "Food Outlook" report of FAO has categorically mentioned that World Trade in cereals is likely to fall;

(b) whether it is a fact that there is a good potential for India to develop exports in agricultural products, particularly cereals; and

(c) the steps being taken to increase agricultural exports, particularly cereals ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b) Yes, Sir.

(c) Government plans to promote export of agricultural commodities like superfine varieties of rice, fresh fruits and vegetables, processed foods, cashewnuts, spices, oilcakes, meat and meat products etc. in a big way. This is considered essential to step up investment in the agricultural sector, raise the income generation capacity in the rural areas and promote sustainable growth with equity in our exports. Government, therefore, attaches high priority to encourage the establishment of export oriented units (EOUs) in this sector. The units in this sector can now import capital goods and equipment easily at a concessional rate of duty. Various inputs and materials required in agriculture and allied activities have also been made freely importable. In case of items like rice, fresh fruits and

vegetables, floriculture items, spices and processed foods where there is potential for rapid growth, Expert Groups were set up. Based on the recommendations of these Groups detailed Action Plans have been worked out and follow up action is being taken on them. However, this is being ensured that export of agricultural commodities is promoted in such a manner that domestic availability of mass consumption is not affected.

No decision to export wheat has been taken. However, export of wheat products from the open market upto a maximum of one lakh MTs will be allowed during 18(93-94. As regards rice, ex-port of basmati and non-basmati super-ne rice is permissible subject only to a minimum export price (MEP) restriction. A quota of 50 thousand MTs of coarse grain has been released and 2 lakh *MTs* of non-FAO Jowar have also been allowed for export.

Export of tyres

3152. SHRI V. NARAYANASAMY: Will the PRIME MINISTER be pleased to state :

ta) whether it is a fact that there is consistent growth in the export of tyres ;;

(b) if so, the details thereof; and

(c) what measures Government have taken to ensure still higher growth in the export of tyres?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c) Export of auto tyres has recorded a steady growth from Rs 202.1 crores in 1991-92 to Rs. 481.6 crores in 1992-93. Keeping in view further potential growth in the sector, the auto tyre industry has projected export target at the level of Rs. 600 crores for the current financial year.

(Source :—Chemicals and Allied Products Export Promotion Council, Calcutta)

Misuse of the duty-free licence norma

3153. SHRI PRAMOD MAHAJAN :

SHRI VIREN J. SHAH :

Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that the country is losing considerable revenue due to misuse of the Duty-free licence norms;

(b) if so, what are the details in this regard and the extent of revenue loss suffered by the country during the year 1992-93 and so far in 1993;

(c) whether there is an increase in number of applications received by Government during the above period from exporters to get value based Duty-free Licence on fictitious export orders;

(d) if so, what are the details in this regard; and

(e) what steps Government have taken to check the misuse of Duty-free Licences?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF *COMMERCE (SHRI* KAMALUDDIN AHMED) : (a) and (b) No, Sir. Advance Licence under Duty Exemptions Scheme are issued for import of raw materials, components, parts, etc. Duty-free for manufacture of export product with permissible wastage and on specified value addition. The question of loss of revenue to the Government, therefore, does not arise.

(c) to (e) There is no evidence to prove that there is an increase in the number of applications received by the Government during 1992-93 from the exporters to get value based duty-free licence on fictitious export orders. Licences are issued on the basis of copy of export orders filed by exporters and there is no practice for verifying these orders either from buyers or through our embassies/missions abroad. However, with a view to checking possible misuse of value based licensing scheme, it has been decided to issue all such licences only from the Headquarters.

Increase in the export duty by Nepal

'3154. DR. SANJAYA SINH : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that the recent increase in the export duty by Nepal would adversely affect the exports from Nepal to India;

(b) if so, the details thereof;

(c) the value of imports from India to Nepal at present;

(d) whether Customs relief on the imports from India would help in the increase of imports in future: and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC